A London Councils Briefing

November 2014

The Small Business Friendly Borough Awards 2014



Introduction

Small firms play a critical role in London's economy. They account for almost 99 per cent of London's businesses and nearly 50 per cent of the capital's employment. They are not only key wealth generators but are also an important part of their local communities. Small businesses face a number of challenges to their survival and growth including difficulty accessing good quality business advice and support, affordable workspace, business finance and public sector procurement contracts.

Recognising the role of small and micro businesses as key employers and wealth creators for the local London economy, councils across the capital have been supporting local businesses by increasing access to workspace, advice and business finance, and by implementing measures to promote local trade, boost footfall in town centres, and encourage local procurement. To celebrate this work and the positive impact it is having on London's small and micro business community, London Councils partnered with the London Region of the Federation of Small Businesses (FSB) on the second Small Business Friendly Borough Awards for London. This briefing provides an overview of some of the successful schemes that councils have been implementing.

The winners were presented with their awards at an event on 12 November 2014. The event was attended by business, council and government agency representatives, and was covered in the media by media partner London24







Overview

Affordable, flexible and appropriate workspace is critical to small business development. Securing such premises can be challenging for small businesses in London, where space is at a premium and there is particular pressure from the development of housing, particularly given recent changes to planning policy. Recognising these challenges, several boroughs have backed schemes to create more workspace:

- The Enterprise Hub and Incubation Centre in Croydon provide business services and affordable office accommodation.
- <u>Sidcup&Co</u> in Bexley provides affordable retail and business space including event space and meeting rooms.
- <u>Maida Hill Place</u>, backed by Westminster City Council, provides shared restaurant and kitchen space for micro food businesses.

Boroughs have also worked with landlords and developers to bring vacant retail premises back into use through pop up programmes, and to create new retail space where there is demand for it:

• <u>Box Park</u> in Hackney is a pop up mall created from refitted shipping containers, which also has an online marketplace.

In the majority of these cases, councils have worked with partners to deliver **business advice and support services** either onsite or alongside the development of workspaces. Responding to the diversity of business need across the capital, councils offer business information and advice in different ways:

- Southwark Council's <u>online business portal</u> provides information on business support services, market and street trading licenses, procurement processes, business rates, and properties available to rent.
- Westminster City Council's <u>Business Information Points</u> and teams in four council libraries provide information, training and networking events for small businesses.

Boroughs also run targeted programmes to help specific kinds of businesses:

- Lambeth's 'So you want to start your own food business' programme involved panel discussions and masterclasses by industry experts on topics such as: branding and marketing; finding premises and dealing with landlords; sourcing ingredients; food safety; business planning; and test trading.
- Hammersmith and Fulham's 'H&F Means Business for Micros' focuses on businesses employing fewer than 10 people, and provides a face-to-face information, advice and guidance triage service, a mentoring programme, online courses, seminars and weekend 'business boot camps', and business awards.

Councils also support small businesses through **campaigns and promotional activities** to raise their profile and increase their customer base:

- <u>Make Hackney Sparkle</u> is a seasonal campaign run in the winter months. Sponsored by a major telecoms company, this council-led campaign involved local small businesses and other partners in the creation of displays, events and on-street animations that attracted shoppers from across the borough.
- The <u>Archway Card</u> is as loyalty card and special offers scheme developed in partnership between Islington Council and the Archway Town Centre Group (ATCG). The card launched six months ago with a launch event, social media campaign, local press coverage and posters in shop windows, and currently has 1,300 members.
- The <u>Richmond Card</u> gives 80,000 card holders resident parking discounts, membership to libraries in the borough, and exclusive offers and discounts from local independent businesses. Almost 250 businesses have signed up to be part of the scheme, providing 270 special offers.

Councils have also supported local businesses to raise their profile and increase footfall through programmes of **shop front and public realm improvements:**

- In Hillingdon, a programme of grants and free design advice helped 70 small businesses in Ruislip Manor and Northwood Hills to increase takings.
- In Bexley, the <u>In Store for Sidcup</u> project supported by the Mayor's Outer London Fund involved a range of public realm improvements to increase the vibrancy of the area and boost local trade. These included new paving, improved access points, street furniture and spaces for occasional market stalls and special events.

Councils are also actively helping small businesses to access business finance:

- The <u>Croydon Enterprise Loan Fund</u>, which is managed for the council by GLE One London, offers business loans of between £2,000 and £25,000.
- Camden Council invests in local businesses through <u>Funding Circle</u>, a leading crowd funding platform. To date the council has loaned £52,500 to 21 local businesses, helping to lever in investment of £1.2 million from other funders.
- Richmond Council has also developed plans to invest £50,000 through a crowd-funding platform.

As well as providing business finance, councils are also taking steps to ease the financial burden on small businesses.

• Croydon's Free for a Year scheme awards rate relief to businesses that deliver growth and move to larger premises in the town centre.

Award winners

Best All Round Small Business Friendly Borough - Commends councils for implementing wide-ranging policies to support and develop the local micro and small business community.

Winner - LB Merton: In partnership with Merton Chamber of Commerce and others, the council has invested more than £2 million in business support and delivered a range of initiatives that have helped more than 400 businesses and created 80 jobs. Merton Business Support Service, a three year programme providing advice to start-ups, has helped 55 businesses. Small businesses, which would otherwise have struggled to get finance, have received £60,000 worth of business loans through a council-backed scheme, and the council has also set up Wimbletech, an incubator space that houses 50 start-ups. A business directory provides information on business rates, building and development control, and lists more than 1,000 local firms. In addition, the council offers business awards, a shop premises programme, a business rate discount, and free parking in December.



As part of its programme of support for small businesses, Merton Council carried out a number of shop front improvements to help local businesses attract new customers and increase trading

Best Place-Based Campaign to Support Local Trade - recognises council campaigns focussed on specific geographical areas, which have encouraged and supported the local micro and small business community.

Winner – RB Greenwich: After successfully bidding to host a Tall Ships festival, the council ran a Get on Board engagement campaign to help local businesses make the most of trading opportunities associated with the festival. Council staff visited 1,300 businesses in Greenwich, Woolwich and Greenwich Peninsula, as well as in smaller retail centres, to brief them on the festival. They gave out 1,100 free campaign packs, which included information leaflets, bunting, window stickers, T-shirts, flags and badges, and offered businesses the opportunity to promote a Tall Ships deal through council channels. The council also held 15 business workshops to help businesses generate trade ideas relating to the festival. More than one million visitors attended the festival over five days, generating £40 million of spend. Eighty per cent of local businesses in the hospitality and retail sector reported record sales during the festival.

Greenwich Council's awardwinning Get On Board campaign helped local businesses to make the most of the trading opportunities represented by the Tall Ships Festival, which attracted more than one million visitors over five days



Highly commended - LB Ealing The council ran autumn and Christmas fairs in partnership with small businesses in Acton and Greenford to increase footfall and spend in the town centres. It organised a series of promotions open to independent traders, devised a treasure hunt linked to shop windows, and ran a best dressed window competition, the winners of which were featured in Around Ealing magazine which is circulated to more than 130,000 households and businesses in Ealing. The fairs featured a range of entertainment to attract shoppers to the area, including live music and children's activities. Free parking was also offered at the weekends. In a feedback survey, traders said the fairs had a positive impact on trade and on the social atmosphere of the town centres, and were keen for more events.

Best Programme of Support for Small Businesses – recognises programmes of support around a particular theme, which have encouraged and supported a borough's micro and small business community.

Winner - LB Camden: In partnership with the Business Improvement District, Camden Town Unlimited, and with funding from the Mayor's Regeneration Fund, the council set up Collective to support local businesses. Collective has broken down the barriers of unaffordable workspace and tackled the issue of vacant retail space that has blighted so many high streets in recent years. Under the programme, three derelict commercial spaces were transformed into 9,000 square feet of desk pace for creative start-ups, supporting more than 120 creative businesses and the creation of 73 new ones. The workspace hubs are linked to a Fellowship Programme, which gives young people access to careers advice, work placements and training opportunities in creative businesses. This has created 57 new jobs, supported 45 individuals into self-employment, and helped 129 graduates to access skills development and work experience placements. The council has also held 100 events in vacant shops in Mornington Crescent, offering free space to businesses to try out new ideas.

Highly commended - LB Brent: Working with community organisation Locality, the council set up the Meanwhile Foundation. This national charity enables new businesses to access commercial space at reduced rents by helping landlords to avoid rate liabilities on vacant properties. Through the Meanwhile@Brent scheme, the council has secured premises which have housed 150 micro businesses and helped 3,000 people through traineeships, work experience, workshops, employment and volunteering. The scheme has involved a number of different initiatives including: the Coming Soon Club in Wembley, which helps participants to develop business plans; Queen's Parade in Willesden Green, which has provided co-working and studio space for 12 businesses and 2,500 people; and South Kilburn Studios, where 15 businesses have benefitted from free or low cost space in exchange for taking on local trainees and running workshops.



Barking and Dagenham Council worked with East London Business Place to run Meet the Buyer events to help local businesses to become 'fit to supply' and win local contracts

Highly commended - LB Barking and Dagenham: The council has a multipronged approach to supporting local firms to access tender opportunities. Opportunities are advertised via an e-tendering portal. The council offers free email and phone support to businesses wishing to tender and does outreach work through Business Relationship Managers, Barking Enterprise Centre and the local Chamber of Commerce to get businesses tender ready. A Fit for Legacy programme with East London Business Place has offered 15 Meet the Buyer events and support to 440 businesses to become fit to supply. The borough's Section 106 agreements require developers and framework contractors to seek to provide at least 25 per cent of total build costs to local suppliers, and the council also ran a pilot housing refurbishment project for small construction firms to participate in the Decent Homes programme. This saw five out of 12 participating SMEs securing contracts to value of £250,000.

The Small Business Friendly Borough awards have once again highlighted the important and valuable work that councils are doing to support local small and micro business communities. They have also provided an opportunity to learn from good practice so councils can continue to implement measures that help small businesses and boost their local economy.

If you are interested to learn more about what London boroughs are doing to support small businesses, please contact Souraya Ali at London Councils: souraya.ali@londoncouncils.gov.uk